



**COLAB**  
San Luis Obispo County

The Coalition of Labor Agriculture and Business

**Weekly Update**  
**May 25, - June 1, 2026**

## **Make a Difference**

There is still time to make a difference for candidates that you support in the June 2 election. Volunteers are needed to help get the vote out, walk precincts, or assist in organizing the activities for the final push. Even just a few hours of your time will be appreciated. If you have a friend who would like to volunteer with you, that would be great. If you don't, no problem. There are lots of friendly people who will welcome your help. This is a fun way to be involved in your community.



Our local races have a history of very close finishes. There is good reason to expect close races again in this one. A few hours of your time could help with the last few votes that get your candidate over the top.

Contacts for the top campaigns are listed below. Reach out to your favorite one and make a difference.

verdiforsupervisor.com

<https://verdiforsupervisor.com>

jimmypaulding.org

<https://jimmypaulding.org>

woodyforsupervisor.com

<https://www.woodyforsupervisor.com>

jimdantona.com

<https://jimdantona.com>

The two political parties are also in need of volunteers. They can be found here:

rpsloc.org

<https://www.rpsloc.org>

slocdp.org

<https://www.slocdp.org>

## **Rotten Fish**

One of the biggest scandals currently stinking in San Luis Obispo County is the ongoing litigation involving Lopez Dam and the county's management of the lake water. It's a complicated issue with no apparent reasonable solutions coming forth in the near future. However, expensive litigation is ongoing, and the potential liability is growing.

As scandals go (we have had plenty) this one has been quietly flying under the radar since it was filed in 2024 but is costing our county dearly. It dates back to the 1990s when complaints were initially filed with The State Water Resources Control Board, forcing the County to draft up a plan to restore the habitat, but the plan was deemed inadequate by federal agencies.

As described by the City of Arroyo Grande: In December 2024, the U.S. District Court for the Central District of California issued a preliminary injunction ordering the County to immediately increase water release levels by about 45%, placing the reservoir's long-term supply in jeopardy and circumventing years of collaborative local work to achieve compliance with the Endangered Species Act.

In January 2025, the County appealed the injunction order. In December 2025, a decision was issued by the Ninth Circuit Court in favor of the County, lifting the water release order and returning releases from Lopez Lake to the Interim Downstream Release Schedule.

Of the discussions currently underway, building a fish ladder that would facilitate steelhead migration to the headwaters of the creek has been suggested by environmentalists. Some estimate the costs could reach \$100 million for such a project. Other remedial measures proposed involve releasing a great deal of water that is currently used for drinking water and agricultural irrigation.

Supervisor Peschong raised the issue of the ongoing litigation at the May 19 BoS meeting after the third quarter financial report was presented by county staff. In supporting a motion to receive and file the report, Peschong said that he did so under protest over the ongoing costs of the litigation which was included in the report under item 26. He apologized to the ratepayers who are shouldering much

of the cost and pointed out that costs have reached over \$4 million. Supervisor Ortiz-Legg agreed as did Supervisor Paulding who suggested the complainants were operating in bad faith and mentioned that Congressman Carbajal was attempting to assist in finding a resolution. He also pointed out that the BoS was unanimous in its opposition to the lawsuit.

The suit is brought by local environmental groups alleging that county management of the Lopez Dam is harming the habitat of steelhead trout that live in Arroyo Grande Creek. Steelheads were listed as an endangered species in 1997. Endangered species and are afforded special protection. The suit demands that as much as 45% of lake water be released to enhance the steelhead habitat.



Steelhead differ from Rainbow trout only because they can thrive in saltwater or freshwater.

Releasing the requested volume would severely impact drinking water for approximately 50,000 south county residents in Zone 3 which is made up of Arroyo Grande, Grover Beach, Pismo Beach, Avila CSD, the Oceano CSD and agricultural stakeholders. According to the Arroyo Grande city website, it receives 61% of its drinking water supply from Lopez Lake. Modeling shows that if the injunction had been in place during the 2020–2023 drought, the reservoir would have hit “dead pool,” leaving the city without its primary water source for more than a year.

Such a release will cause harm to the California Red-Legged Frogs and Tidewater Goby, which are both also on the endangered list and reside in the creek. It will be up to the courts to determine which endangered species deserves more protection, and which might lose out if large-scale water releases take place.



A Red-Legged Frog



A Tidewater Goby

The ecological group litigants are Los Padres ForestWatch, San Luis Obispo Coastkeeper, the California Coastkeeper Alliance and the Ecological Rights Foundation.



UNITED STATES COURT OF APPEALS  
FOR THE NINTH CIRCUIT

SAN LUIS OBISPO  
COASTKEEPER; LOS PADRES  
FORESTWATCH; CALIFORNIA  
COASTKEEPER ALLIANCE;  
ECOLOGICAL RIGHTS  
FOUNDATION,

*Plaintiffs - Appellees,*

v.

COUNTY OF SAN LUIS OBISPO,

*Defendant - Appellant.*

No. 24-7807

D.C. No.  
2:24-cv-06854-  
SPG-AS

OPINION

Appeal from the United States District Court  
for the Central District of California  
Sherilyn Peace Garnett, District Judge, Presiding

Argued and Submitted August 12, 2025  
Pasadena, California

Filed December 3, 2025

Before: Jacqueline H. Nguyen, Danielle J. Forrest, and  
Lawrence VanDyke, Circuit Judges.

So, what makes this a scandal? The county is in a pickle. If it releases the water demanded by the plaintiffs, it creates drinking water availability concerns and it puts two other species at risk. The plaintiffs are fully aware of this dilemma and are leveraging the issue. They stand to gain a sizable financial reward should they prevail. What would prevent the same groups, or a different but similar batch, from filing suit on behalf of the red-legged frog or the tidewater goby if the water release harmed them as expected?

According to ForestWatch’s website, “If the court ultimately affirms that the County is violating the Endangered Species Act, federal law requires that prevailing plaintiffs recover their attorneys’ fees and costs. Plaintiffs are pursuing this case on a contingency basis, meaning our attorneys are only compensated if they prevail. Recovering those costs makes this type of public interest enforcement possible. Unfortunately, those costs continue to increase as the County prolongs the case rather than resolving the underlying issues. The County is likely to pass these expenses on to Zone 3 ratepayers.”

Presumably, any settlement agreement would include remuneration for the plaintiffs’ legal fees.

The plaintiffs stand to gain, the steelhead may or may not have improved habitat, two other endangered species could be harmed, a wildly expensive fish ladder could be forcefully financed by taxpayers and rate payers and Lopez Lake levels might drop to levels that put drinking water at risk. Ratepayers for that water will see steep increases in their water bills.

Because the whole issue is one big litigation nightmare, the county is restricted about what it can say.

The scandal is that we have a governance system that facilitates such financial circumstances. The scandal is that the county needs to legally defend its actions. The scandal is that ratepayers are being penalized. The scandal is that the enviro plaintiffs are exploiting the impossible situation of trying to balance wildlife needs with human needs. The scandal is that the only solution that protects the county and zone 3 customers is in the hands of judges who are not biologists, who are not hydro engineers and who aren't even San Luis Obispo County residents.

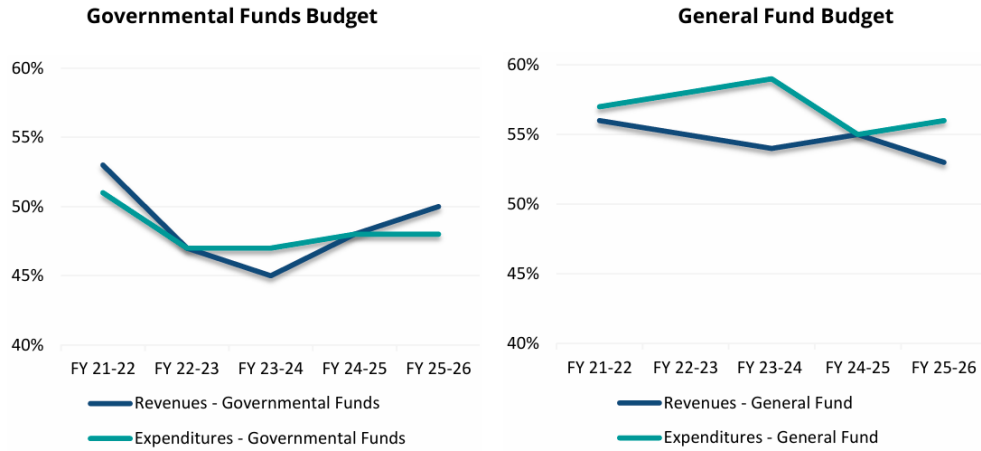
The enviro groups are doing what enviro groups do. It's impossible to put blame on the county and their efforts to balance water needs with complying with the Endangered Species Act. But it is truly tragic to see the obscene amounts of Other Peoples' Money getting thrown around with such little regard.

## **Third Quarter Finance Report**

The third quarter county financial report was delivered by staff at the May 19 meeting. Fortunately, the report indicated that overall, our county finances are currently on track.

County finances ebb and flow based on tax revenues and the timing of state funding for grants and programs. The following graphs illustrate the trajectory of the county's revenues and expenditures through the current fiscal year:

**Revenues, Expenditures as % of Total Budget at the End of the Third quarter**



One of the biggest expenses for the county is the payroll. Managing the workforce keeps expenses in control and maintains a focus on the mission. Below is a graph illustrating what the county has done with Full Time Employee (FTE) positions through the current fiscal year:

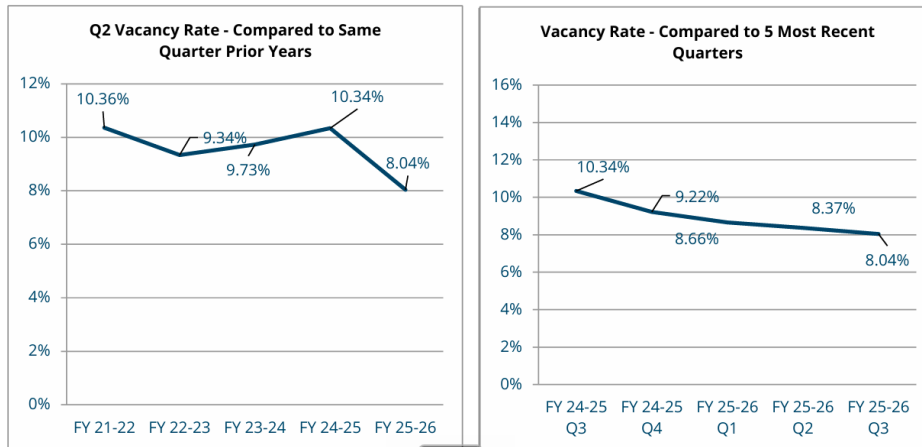
**SUMMARY OF POSITION ALLOCATION CHANGES**

<b>FY 2025-26</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Quarter Start	2,814.25	2,818.25	2,816.00	
FTE Additions	101.00	29.00	10.00*	
FTE Deletions	97.00	31.25	1.00	
Quarter End	2,818.25	2,816.00	2,825.00	
<b>Net Change</b>	4.00	-2.25	9.00	
<b>% Change</b>	0.14%	-0.08%	0.32%	

\*This number includes the Program Manager I/II for FC 142 – Planning and Building, approved by the Board on 11/04/2025, effective 01/01/2026, and noted as a change approved for the fund center on the Second Quarter Report.

Employee vacancy rates have positive and negative aspects. There is no payroll for vacant positions, but the vacancy can reduce department performance and/or drive up other costs such as overtime or temporary employee costs. Below is a graph following vacancy rates:

Vacancy Rate Compared to Q3 in Prior Years and Compared to Most Recent Quarters



Overall, the report was a good precursor to the proposed 2026/27 budget draft that was introduced immediately following the review.

## A Flaw in the 2026/27 Budget

Because one of the highest budget priorities stated by the Board of Supervisors is Public Safety, and since the District Attorney’s office is a key component of protecting the public, it was most disappointing that District Attorney Dan Dow needed to point out to the BoS that he has been requesting five positions that were left out of the budget process.

Even more distressing was Supervisor Gibson’s response as Dow reported that much of the work that would be done by those five employees is required by statute. Gibson feigned offence at the report and called it posturing. He then accusingly asked Dow if he would sue the county if he didn’t get the positions included in the budget. Dow calmly replied that by putting the county on notice about possible risks for failing to provide the personnel to carry out mandated services, he was simply doing his job.



District Attorney Dan Dow seeks sufficient funding to protect the public.

One of the positions requested by Dow is a prosecutor specializing in crimes against senior citizens. This includes both elder abuse and fraud – both serious problems in our community.

The actual positions sought by Dow are listed here:

District Attorney Dan Dow  
Advocates for Necessary  
Funding for the  
FY 2026-2027 Budget

- Elder Abuse Prosecutor
- Restored Deputy DA
- Restored Admin Assistant
- Restored Victim Advocate
- Paralegal

May 23, 2026  
slocounty.ca.gov/da

The seal of the District Attorney for San Luis Obispo County, California. It features a central emblem with a building and the text "DISTRICT ATTORNEY COUNTY OF SAN LUIS OBISPO" around the perimeter.

Supervisor Peschong urged county staff to look for resolution. County CEO Matt Pontes replied that they were already exploring opioid settlement funds that might fill the gap.

COLAB's remarks to the BoS about the budget complimented staff and the Board for the thoroughness and transparency but requested resolution for the DA issue. We also pointed out that the budget priorities do not mention transportation or road funds. We further noted that a transportation dedicated sales tax measure may be on the November ballot, and many are frustrated that the county is shifting responsibility by asking taxpayers to pay extra for a basic need.

More details about the \$1billion, two hundred million 2026/27 proposed budget draft can be found in last week's Weekly Update. The BoS will have a hearing on June 8 – 10 to go through details of the budget.

## **PRAGA Groundwater Fees in the Works**

The Paso Robles Area Groundwater Authority (PRAGA) will meet on May 27 for their regular monthly board meeting. Sometimes they hold their meetings in the Paso Robles Council Chambers, and other times in the Norris Room at Centennial Park. Curiously, their website does not list the meeting details. They usually take place at 4:00 pm.

Meeting agendas are posted to their website at least 72 hours in advance of each meeting, and minutes are posted after approved. The website is found at:

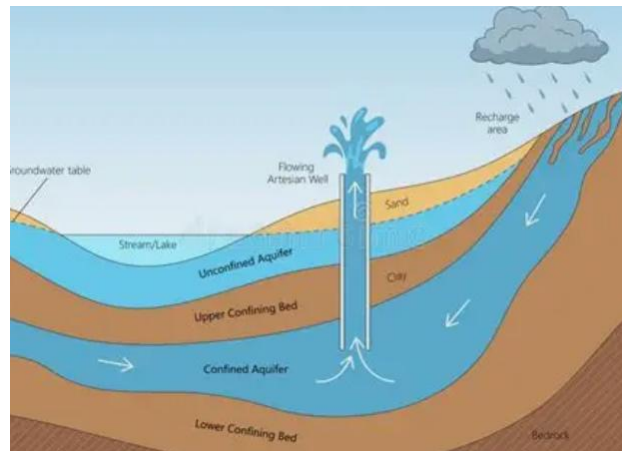
pasoroblesaga.org  
<https://www.pasoroblesaga.org>

The big thing on the agenda is the establishment of a rate structure for their Prop. 26 water fees.



## Paso Robles Area Groundwater Authority

The fees are there to raise the annual \$1.1 million needed to “keep the lights on”. None of the Other Peoples Money raised in this new fee structure is designated to projects that will actually contribute to groundwater sustainability. Rather, it covers the administrative costs of existing and paying consultants.



The politics of groundwater is far more complicated than nature.

We would hope that with \$1.1 million of Other Peoples Money, PRAGA could come up with data. That could clarify the status of the basin. Is it still in overdraft? If so, by how much. What would it take to recharge enough to get out of overdraft?

Below is their description of their proposed rate structure:

The Fee Program rate is calculated by dividing the revenue requirement by the total effective consumed groundwater. Applying the revenue requirement and groundwater consumption data established in this Report, the FY 2026-27 rate is calculated to be \$22.90 per AF per year, as shown below.

**Figure 5 – Rate Calculation**

$$\frac{\$1,095,446}{47,845 \text{ AF}} = \$22.90 \text{ per AF}$$

There is much speculation about whether the fee will be challenged in court. Among the details that don't sit well with some is the plan to base charges on past years' water consumption. Below is Praga's description of the process of implementation:

**Water Code § 10730 Fee Implementation Procedures**

- Provide notice of public meeting along with Fee Study (20 days prior to meeting).
- Hold public meeting; provide overview of the Rate and Fee Study Report and data supporting the fee structure and amount.
- Fees may be imposed by ordinance or resolution.

Anyone interested in sharing their opinion about the cost of “keeping the lights on” should check the PRAGA website for meeting details.

**Last Week**

## **Warning: High BS Meter Readings**

When a candidate attempts to take full credit for something they only had a part in, it's safe to call BS. Big accomplishments by local government are always a collaborative effort. Ignoring such collaborations is arrogant, selfish and dishonest. It is a character flaw.

Candidates that take full credit for something they only played a role in are hoping that voters haven't been paying close enough attention to know the difference. They are self-centered, wanting the whole spotlight and ignoring others that also worked in support.

Yes, they may have helped to deliver, but if the project involved community leaders, staff support and collaboration among other electeds, then no, they don't deserve all the credit.

We wonder if such candidates are suffering from some sort of inferiority complex and are perhaps overcompensating with their desperate misrepresentations. To be sure, candidates that grab all the credit for complex projects are inferior. Do they realize that their friendly collaborators resent them for grandstanding?

Accomplishing anything significant in representative government requires a level of graciousness and humility. It calls for collaboration, teamwork and cooperation with colleagues. This absolutely includes sharing credit when a good thing is completed.

A candidate who takes full credit, naming themselves in the first person as the one who brought a needed resource to the community is a braggart. It makes one wonder if the accomplishment was done for the greater good, or just for the credit.

Informed voters recognize this tactic for what it is: Pure BS.

Voters should ask themselves why a candidate would claim that a collaborative project was entirely their achievement without recognizing the effort of their colleagues that also worked to make it a reality. How about the candidate's predecessor – did they have a role in the accomplishment? Is that a good form of leadership? Is it honest?

Harry S. Truman's famous quote; **“it's amazing what you can get done if you don't care who gets the credit”** really hits the nail on the head with this issue. Famous basketball coach John Wooden also had a great perspective: **“A strong leader accepts blame and gives the credit. A weak leader gives blame and**

**accepts the credit.”** Do either of these sentiments apply to candidates in your area?

When you see a candidate asking you to believe that he or she is solely responsible for delivering a project or policy, don't be afraid to call their arrogance for what it is – BS.

## **1.2 Billion Reasons to Pay Attention**

The 2026-27 San Luis Obispo draft county budget will be proposed at the May 19 Board of Supervisors meeting. The \$1.2 billion 837-page document (along with a \$24 million 72-page Special Districts supplement) was developed by the County Chief Executive Office team as the 2026-27 budget proposal.

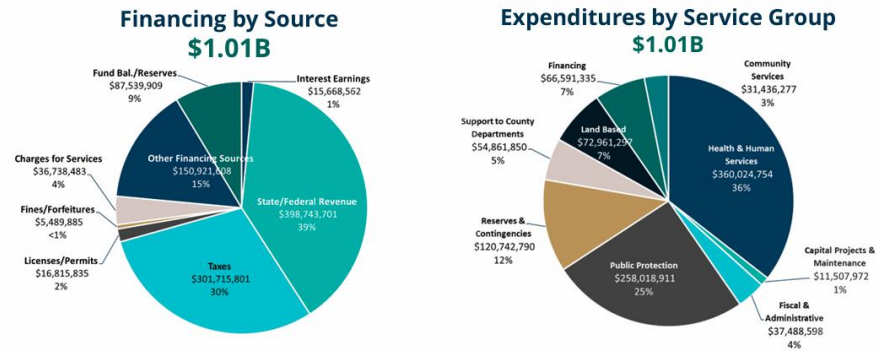
\$1.2 billion equates to about \$4,250 for every living person in the county, including babies and retired folk. Obviously, many don't pay any taxes, and many pay far more than this.

The budget draft has overall spending up by only 2% over the current budget. This contrasts with last year when spending was up by 9%.

The Board of Supervisors will adopt the draft proposal for public review at their May 19 meeting and will hold formal budget hearings on June 8 – 10. The final budget (with any modifications resulting from the budget hearings) will be formally adopted at the regular BoS meeting on June 16. That adopted budget is finally implemented in September after any adjustments are made for state/federal budget augmentations or reductions.

The graphs illustrated below depict the Government Funds Budget from an income standpoint and an expenditure standpoint.

## Governmental Funds Budget

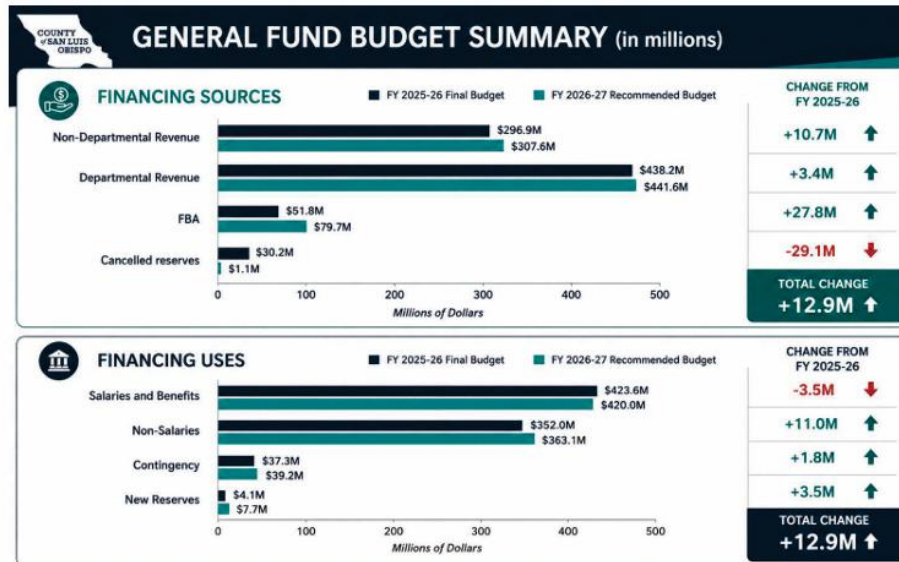


Of note on the financing side are the level of funds from the state and federal government which comprise our single largest source of income – 39% of our overall revenue base. This is worrisome on a couple levels. First, the unpredictability of those funds could be a problem and second, so much of those funds are prescriptive, meaning they are for specific programmatic funding. So, we find ourselves reliant on funds that are not entirely dependable, and we have less than optimal discretion on how they are spent.

On the expenditure graph, however, we see a healthy amount of the budget (12%) dedicated to reserves and contingencies. This is wise planning that allows for a strong level of potential changes in state or federal dollars that might otherwise result in programmatic cuts. It also allows for local “less than anticipated” revenues or higher than expected operating costs. It is unfortunate that investment in this category is somewhat lower than last year, but it is good that it is still reasonable. Our only hope is that this fund doesn’t get chipped away with special pet project funding.

Sadly, our Governor, perhaps distracted by imagining his future, has done a poor job of forecasting the state budget. His May Revise report on the state’s revenues and anticipated expenditures was woefully vague, leaving more questions than answers. It could take months for counties to get a clear picture of the mess he is leaving us with. An additional unpredictable impact on our budget is Medicaid funding, which is in tremendous flux. (See the attached stories near the end of this newsletter.)

The next graph illustrates the major budget categories and compares them to the current 2025/26 budget.



Overall, we find this budget well done. It's obviously bigger than we would prefer, and we are always concerned about budget creep and runaway spending. That said, the second year of the new Financial Rebalancing & Resilience Initiative appears to be paying off.

We like the shift from status quo budgeting to the baseline process implemented for the first time this year. This method involves a thorough review of spending by each county department.

That review is used to establish a baseline budget for each department. From there, department heads can make a case for restoration of funding that may have been cut to establish the baseline. These are called "add back requests" (ABRs).

Department heads also have the opportunity to make a case for additional funds not already in the current budget. These are called "budget augment requests" (BARs). They often involve requests for additional staffing.

Below is a graph illustrating the overall number and amounts of ABRs and BARs:

### DEPARTMENT REQUESTS

#### Add-Back Requests (ABRs) & Budget Augmentation Requests (BARs)

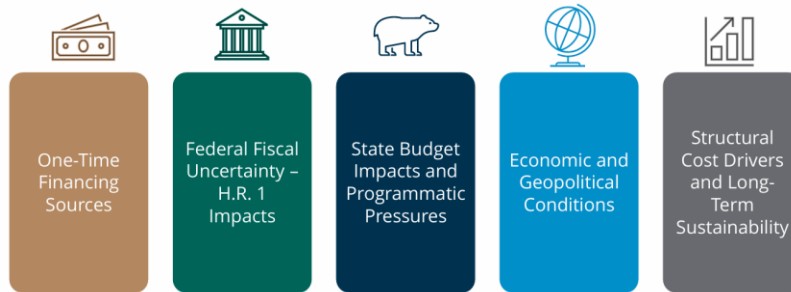
	ABRs	*BARs
<b>Number Submitted</b>	66	68
<b>Expense</b>	\$14.4M	\$14.3M
<b>Revenue</b>	-\$0.16M	\$3.6M
<b>General Fund Support</b>	<b>\$14.5M</b>	<b>\$10.7M</b>
<b>Positions (FTE)</b>	49.34 FTE	46.00 FTE

Here are the adjustments made to the baseline:

RECOMMENDED ADJUSTMENTS TO BASELINE BUDGET		GF AMOUNT (\$M)
 Add-Back Requests (ABRs) – One-Time	Restoration of baseline reductions for positions / services.	<b>\$10.8M</b>
 Budget Augmentation Requests (BARs)	New or expanded General Fund support (program growth pressure).	<b>\$1.4M</b>
 Economic Development & Housing Designation Funds	Commitments to economic development initiatives and housing priorities.	<b>\$1.5M</b>
 Funding for Management and Operational Review Audits	Investment in independent reviews to strengthen operational efficiency and accountability.	<b>\$2.0M</b>
 Contingency Adjustment (5% Policy)	Set aside in accordance with Board policy.	<b>\$0.7M</b>
 TOTAL RECOMMENDED ADJUSTMENTS TO BASELINE		<b>\$16.6M</b>

The result of this process is a more precise and accountable budget. It eliminates vague pockets of funding that might go for nondescript spending. It is tied to performance measures within departments and helps to more clearly define the mission of each.

This budget does a good job of anticipating potential challenges, but notes there are a number of factors beyond any ability to fortify against. The most prominent are:



With the CEO model now in full effect, and with the tighter budget process underway, the budget for San Luis Obispo has become a much more accountable and transparent process.

## **More Oopsies, Shame and Embarrassment**

The San Luis Obispo County Clerk/Recorder’s office has found itself in yet another compromised position having left off information on the American Independent Party candidate endorsements in the recently produced voter guides that were mailed to every registered voter in SLO County.

This means that they will be obligated to print and mail a postcard to every registered voter with the omitted information - at taxpayer expense.

Leaving aside the tremendous costs for such a postcard, along with the embarrassment and credibility issues, it raises a much more fundamental question about the additional aspects of the office and how they are run.

The Clerk Recorder has several key responsibilities outside of the elections and campaign finance duties, including recording official documents such as death certificates, marriage certificates and licenses, birth certificates, fictitious business listings, legal document registration, notary public authentication, process server registration and lawful detainer assistance registration.

Elaina Cano has served as our Clerk-Recorder for four years. She was appointed to the position after the vacancy of the previous office holder. She had experience

as City Clerk for San Luis Obispo and Pismo Beach as well as Elections Manager for Santa Barbara County.

In her present role, she has been accused of violating the Public Records Act, failing to respond to records requests and refusing to disclose public voting records as required by state law. It seems to some that a few of those situations have a partisan nature to them. Additionally, she is currently being sued by a former candidate who alleges civil rights violations done under the color of authority. That person is currently running against Cano.

She is also quite well known for discovering a box full of ballots at the end of a counting process that turned the results of an important close election by a tiny margin. And who can ignore the fact that we are among the slowest vote tabulation counties in the state under her leadership?

These are very concerning issues that shouldn't be taken lightly. They involve real people with legitimate motivations. They are not wild political accusations with little basis in reality. The excuses offered for most are feeble.



Our point for bringing up all this business is that holding the office of Clerk-Recorder calls for a heightened sense of accountability and responsibility. Public trust is critical. Maintaining integrity beyond reproach is absolutely necessary. The missteps and mistakes that we have seen to date are colossal. Do any of these problems carry over to her other responsibilities in the job?

Cano has a number of elected officials who are quick (too quick?) to sing her praises. Curiously, they all seem to be of one particular political party, while her detractors mostly seem to be of a different party.

Cano currently has two opponents in her bid to be elected on June 2. It is difficult enough to unseat an incumbent with just one opponent. Unseating her is a longshot. That said, we need a County Clerk-Recorder with an unblemished track record and the ability to carry out the job without controversy. Public trust isn't partisan. It isn't indicated by a plurality or small margin majority vote. It is earned.

We hope that whoever wins on June 2 sets about earning the public trust in totality.

## **REACHing for Economic Development**

As an organization constantly calling for accountability and transparency, COLAB sometimes hears concerns about programs that receive taxpayer funded grants from the county. We too wonder what value taxpayers are getting when County Supervisors ceremoniously dole out dollars. It's not the Supervisors' money. It belongs to taxpayers, and they deserve to know that their money is providing something of value.

One of those programs is the Regional Economic Action Coalition (REACH). This is a local nonprofit organization dedicated to economic and community development.

Even Supervisor Gibson has expressed doubts about the value REACH offers for the annual \$300,000 in support it receives from the county.

We applaud the mission of REACH and its many members working on growing commerce in our county. We acknowledge the need for economic growth, better employment opportunities and a healthier tax base. We realize that success in these areas is measured in options. More job opportunities, hopefully more housing choices, a more resilient community, more choices for service providers and their customers, more support for education and even better roads are all products of strong economic development.

What we wish for is a more direct nexus between the taxpayer funds invested in REACH and the return on that investment. We would love to see a more

aggressive approach to policy from REACH. Speak out when dumb ideas rise and good ideas falter. Shake things up because business as usual in San Luis Obispo County is not thriving. As a 501 C3, direct advocacy is not always appropriate, but educating the community about better options would be good.

Our economy is essentially stagnant, while the cost of everything else – including employees, health providers, housing, insurance, education, utilities and infrastructure, goods and services, public safety, and government - is growing. Some may be perfectly content with preserving our beautiful little slice of paradise as it is in San Luis Obispo County, but the fact remains that if we don't grow, we will decline. We can't even afford to just keep things the way they are now. Maintaining a status quo costs more than we are generating. Sending opportunities elsewhere is not a sustainable option. The challenge is doing it right.

Most counties in California have some sort of formal office of economic development. San Luis Obispo County does not. We (together with Santa Barbara County) rely to a great extent on the efforts of REACH through what is essentially a public/private partnership.

Here are a few examples of other counties' economic development programs:



MONTEREY COUNTY  
YOUR PARTNER IN BUSINESS

Human Resource Hotline	Site Selection Assistance
Market Analysis Assistance	Regulatory And Tax Assistance
Free Project Consultation And Facilitation	Layoff Prevention Services
Employment Recruitment Services	Labor Market Services
	Permitting Assistance
	America's Job Center of CA

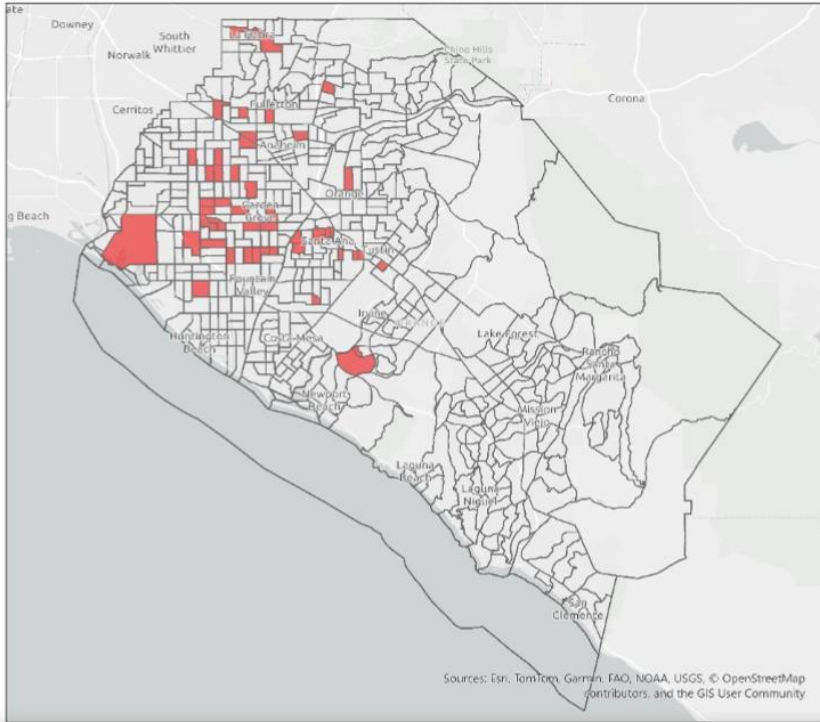


**Permit Navigator**

The County of Ventura strives to consistently improve the services it provides to residents including small businesses. The Permit Navigator program is a service to help small business owners find the best pathway to complete any County permitting process. This program is especially helpful when a permit application has been submitted and the business owner feels “stuck” in the process. Questions can be emailed to [VCpermitnavigator@ventura.org](mailto:VCpermitnavigator@ventura.org) with an explanation of the issue. Response time is within 2-3 business days.



## Orange County Comprehensive Economic Development Strategy Red Zones, 2024-2029



Orange County CEDS Red Zone 2024-2029 Thresholds:

Unemployment Rate:  
Above 7.3%

Per Capita Income:  
Below \$33,009



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Data provided by US Census Bureau's 2022 American Community Survey, 5-Year Estimates; Mapping and GIS data sourced through ArcGIS Pro



**CONTRA COSTA**  
CONSERVATION & DEVELOPMENT

### Economic Development Services

Connect with our Economic Development team to inquire about site location, grant programs, county programs, and other information. Our team's goal is to provide quality customer service and meet the diverse needs you may have in a timely fashion.

- [Small Business Ombudsperson Services](#) - Business development and tailored referrals through ombuds-services.
- [Business Attraction and Retention](#) - Business attraction, growth, and retention needs.
- [Incentives](#) - Opportunity Zones and Recycling Market Development Zone low interest loans.



## COUNTY OF SONOMA

### SONOMA COUNTY ECONOMIC DEVELOPMENT COLLABORATIVE

#### EDB 3.0

3.0 Action Plan, will guide future economic development by partnering with community and business organizations to address persistent issues that constrain the local economy. The plan seeks to enhance EDC's (formerly EDB) foundation of business support by expanding its role as a convener to address specific goals such as increasing the earning potential of residents, encouraging investment in high-value local enterprises, and restoring housing affordability in Sonoma County.



The County of Humboldt Economic Development Division works to strengthen the evolving local economy by supporting businesses, expanding workforce opportunities and advancing industries that create long-term prosperity. This work is grounded in the natural resources, innovation and entrepreneurial spirit that defines Humboldt.

As we can see, economic development is a serious concern throughout California. Many of the various County Economic Development programs focus on cutting red tape or facilitating success in the business and housing communities.

We also see that we have serious competition for industries looking to locate or expand. Some of the key criteria for such industries are housing costs and availability, employment base, quality of living, costs of utilities, and the level of

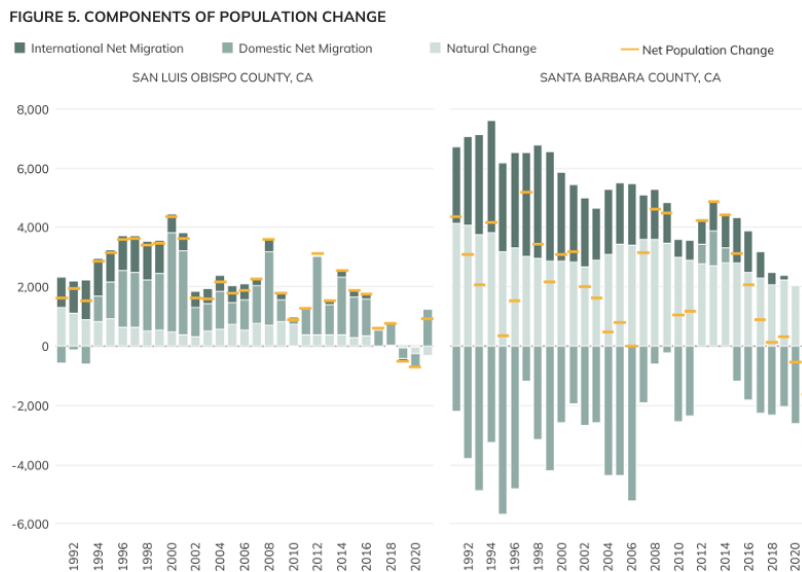
bureaucracy standing in the way. Most economic development agencies seem to recognize this and are working towards improvements in each category.

So, what has REACH been doing for San Luis Obispo County?

They have developed an impressive number of professional board members, advisors and collaborators. The industries, companies and individuals helping guide the organization opens doors and create opportunities that would never exist without such substantive participation.

In order to better define their goals and measure success, REACH has compiled a great deal of data related to its mission. Much of that data can be found in their Resilience Roadmap publication: [2023-11-27-Central-Coast-CEDS\\_FINAL.pdf](#)

Just two of the many demographic and economic indicators in that report are listed here. They illustrate the population change occurring locally and how that change is contributing to our local economic stagnation:



Source(s): US Census Bureau, Population Estimates Program; Moody's Analytics; TIP Strategies, Inc.  
Note(s): Natural change is the difference between annual births and deaths. Total population change includes a residual (a change in population that cannot be attributed to any specific demographic component). Year 2010 and 2020 components are estimated based on a 12-month projection of the second quarter (the period between the US Census and the mid-year estimate) that is not seasonally adjusted.

	SAN LUIS OBISPO COUNTY	SANTA BARBARA COUNTY
Youth (0–19)	22.5%	27.2%
Young Adults (20 to 34)	21.8%	24.2%
Experienced Working Age (35 to 64)	35.6%	33.3%
Seniors (65+)	20.1%	15.3%

Source(s): US Census Bureau, American Community Survey 2020 5-year aggregate sample; TIP Strategies, Inc.

REACH has outlined several initiatives that it is currently undertaking in the following document: [REACH2030\\_ActionPlan.pdf](#)

A few examples are listed here:

## REACH 2030

AN ACTION PLAN FOR  
CENTRAL COAST JOB CREATION

<p><b>1 in 10</b></p> <p>residents and 1 in 5 Latinx residents worry about having enough money for food.</p>	<p><b>86%</b></p> <p>believe the region's young people will be unable to afford to live/work here in adulthood.</p>	<p><b>1 in 529</b></p> <p>believe housing is affordable.</p>
<p><b>1 in 3</b></p> <p>residents has less than \$10,000 saved for retirement.</p>	<p><b>1 in 4</b></p> <p>middle-class residents must borrow to cover \$500 emergency.</p>	<p><b>50%+</b></p> <p>53% of all middle-class residents, 63% of Latinx and 83% of African Americans are likely to leave.</p>

### Delivering Measurable Economic Impact

IN ADDITION to enriching the region's jobs mix, accomplishing this objective would more than offset the impending loss of about 1,500 good-paying jobs at PG&E's Diablo Canyon Power Plant, which is slated to close in 2025. The jobs created will generate an estimated

\$1.1 billion in payroll – five times more than Diablo's \$220 million payroll.

In 2019 dollars, this objective alone would amount to a cumulative economic impact over the next decade of \$6.3 billion.

\$1.1B

IN PAYROLL ANNUALLY

5X

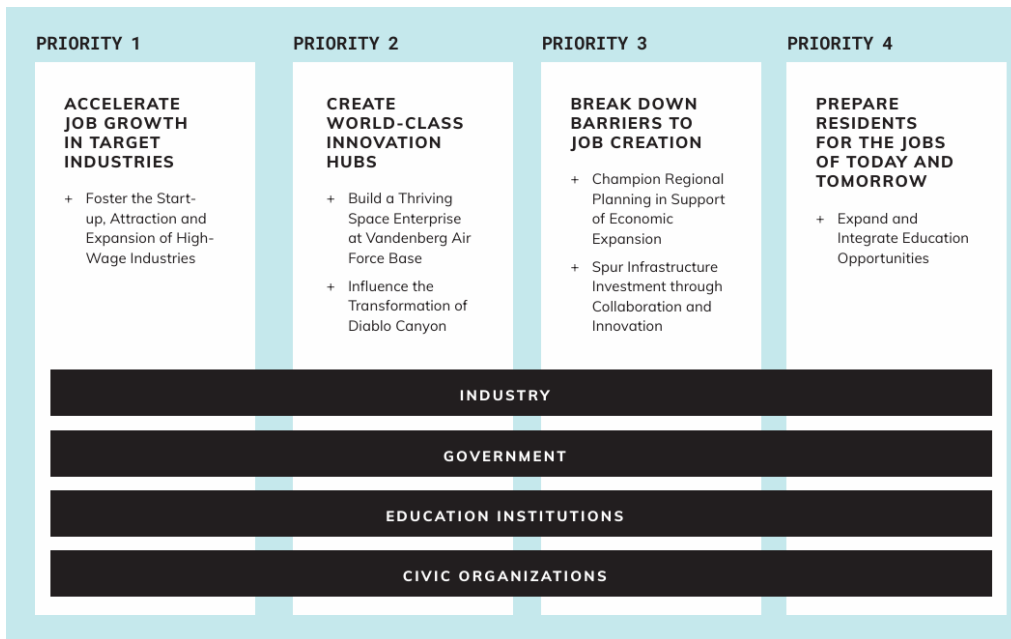
MORE THAN  
DIABLO'S PAYROLL

\$2.75B

INDIRECT  
IMPACT ANNUALLY

<sup>13</sup>Pew Research Center Income Calculator 2018, American Community Survey, 2013–2017 & MIT Living Wage Calculator, 2019.

<sup>14</sup>United Way of California, Real Cost Measures County Profiles, 2019.



We have attended REACH meetings and observed community leaders collaborating on jobs, people and housing. The discussions were robust, and the people having them were change agents in their particular fields.

REACH has recently been contracted by SLO County to do what we would describe as an “Inventory of Opportunity”. This analysis will identify every large-scale opportunity for economic growth in the county and highlight both the benefits and the impediments. We are hopeful that this is not another reframing of the very tired, very old and very sad story that housing costs are holding everything back. That story has been told far too often.

Rather, we look forward to new ideas and new solutions for achieving such opportunities.

REACH is certainly an asset and a strong contributor to our future. REACH's annual budget is \$5.8M, with \$4.4M dedicated to special projects — including economic development contracts and state grants that advance sectors like space and aerospace, energy, precision manufacturing, workforce, and housing. In other words, SLO County's investment is leveraged many times over.

Among its accomplishments, REACH lists:

- **State influence and business attraction:** REACH gives SLO County an outsized voice with the state and helps put the Central Coast on the map for high-growth industries. Companies in space, aerospace, energy, advanced aviation, and high tech have been attracted to and expanded here because REACH helps facilitate the visibility, connections, workforce alignment, and public-sector coordination needed to make growth real.
- **Jobs and investment:** REACH has supported 7,780 jobs and secured \$360M in aligned investment across industry expansion, infrastructure, workforce, entrepreneurship, and regional economic development — all tied directly to REACH 2030.
- **Precision manufacturing:** This is not theoretical — real companies are growing here now. In just the last year, a small cohort of five companies in the greater SLO County area has generated more than \$1.5B in activity through acquisitions, venture investment, and contracts, with the potential to dramatically grow the workforce. REACH is helping turn that momentum into an industry-driven growth strategy — connecting companies, training partners, state funding, and career pathways so SLO County residents can access the jobs being created in space, aerospace, advanced aviation, clean energy, and high tech.
- **Energy and clean tech:** REACH is also helping position SLO County as a clean energy leader. We are taking a bold position in support of a 20-year extension of Diablo Canyon — recognizing it as both a critical clean energy asset and an economic foundation for the region — while also advancing a \$5M state-funded Clean Energy Innovation Hub with Cal Poly to grow the next generation of clean tech, supply-chain, workforce, and manufacturing opportunities in SLO County.
- **Workforce and community development:** REACH has helped secure and deploy 9M in state funding with \$3.2M into practical, local SLO County projects that expand training capacity, strengthen employer partnerships, and create better pathways into good jobs. Examples include:

- Cal Poly — Paso Robles Spaceport Training and Research Center
- First 5 SLO County — Uplift Regionwide Child Care Coalition
- Cuesta College — LIFT: Launching Infrastructure for Future Training
- San Luis Coastal Education Foundation — K–12 Regional Skills Lab
- United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry Local 403 — Expanded Apprenticeship Facilities and Opportunities
- **Housing:** REACH is also bringing its implementation focus to housing — first through catalytic work in Lompoc, where a REACH investment into a school district pilot project and then a consulting partnership is helping advance 200+ units. Goal is to expand this project portfolio into districts throughout the region.

San Luis Obispo County is making a big investment in REACH, but REACH makes a far greater investment in our county. We are hoping that it is a wise investment for both.


## Ag Friends or Foes?

### "AGRICULTURAL LAND AND COMMUNITY GROWTH: BALANCING HOUSING NEEDS, AGRICULTURAL VALUE AND OPEN SPACE"

This half-day summit addresses California's housing shortage, exploring possible ways to convert land currently designated as agricultural to residential while also discussing land preservation desires. Members of expert panels will discuss relevant ag-to-residential issues while describing real case studies. The event will include insights from faculty research and input from consultants, developers, planners, landowners and community leaders.

Local policy makers, representatives from industry, students and members of the community are encouraged to attend.

This event is organized by the Real Estate Initiative, the Orfalea College of Business and the College of Architecture and Environmental Design.

 **Monday, May 18, 2026**

1:00pm - 5:00pm

[Add to Calendar](#)



**Swanson Center of Effort Conference Hall (Bldg 156)**



\$10 - \$45

\$10 for current Cal Poly faculty, students and staff

[Learn More](#)



**This event is open to:**

Everyone

**Emergent Trends**  
**Page 34**

**Chevron v Gavin: Just the Facts That all Americans Should Know About California's Commitment to 'Energy Affordability'**

**Ringside: California's Plans for Energy and Water Can be Misleading**

**COLAB in Depth**  
**Page 41**

**California Still Owes \$23B in Pandemic-Era Unemployment Loans to Feds, But the Bill is Coming Due**

## Valued Sponsors



TRAFFIC CONTROL SOLUTIONS ▲ EQUIPMENT RENTALS & SALES

### CENTURY 21

Century 21 Hometown Realty

F. Byron Grant

Office: 805-481-4297

Cell: 805-441-2560

Fax: 805-481-0273

CA DRE#00985985

102 Bridge St.

Arroyo Grande (CA) 93420

byron-grant@c21home.com

www.byron-grant.com



# 2026 Annual Fundraising Dinner Sponsors



# Chevron v Gavin: Just the Facts That all Americans Should Know About California's Commitment to 'Energy Affordability'

*Sacramento's policies have destroyed free markets and increased consumer prices at the pump*

By Michael Mische, May 22, 2026

*"California is committed to energy affordability for all residents."* (California Energy Commission on Fox Business (5/20/26))

Energy affordability is not what comes to mind when one thinks about California. As reported by Katie Jerovich in the California Post, Chevron gasoline stations in California have begun displaying banners on their pumps to help consumers better understand gasoline prices declaring, *"California politicians are choosing foreign oil and fuels over local jobs and lower costs. Nearly 25% of your gas money goes to state taxes and fees"*. No doubt a bold declaration by Chevron and one that solicited the "typical" tirade reactions of Governor Newsom we've come to expect.



## *So, what does the data tell us?*

Here are some basic facts and figures that all Americans should know about California's commitment to "energy affordability" and its energy policies going into Memorial Day Weekend... and the 2028 elections.

### **1. Californians pay approximately \$1.25 per gallon in state mandated taxes and fees, the highest in the U.S.**

- CA gasoline prices include five layers of taxes, fees, and costs.
- CA has the highest "environmental" costs per gallon in the U.S.
- 25% of the "Cap and Invest" cost or about \$0.06 a gallon is paid by the consumer in support of the highspeed rail project and another 20% is allocated to "affordable housing and sustainable communities".
- Current cost estimates for the highspeed rail project are around \$230 billion or 57 times more than the recent Artemis II mission to the moon.

### **2. CA has the highest gasoline prices in the U.S.**

1.
  - CA regular gasoline price is 35% higher than the U.S. average. (5/22/26)
  - Some stations are charging over \$7.00 gallon...\$7.29 for 91 premium grades.
  - The Governor's proclamation that AB 30, allowing E15 ethanol gasoline, would reduce prices by \$0.20 a gallon and saving Californians \$2.7 billion annually, has yet to materialize...and won't. (10/2/25)
  - Irrespective of the Iranian situation, California has had and will continue to have the highest gasoline prices in the U.S.

### **3. CA has the highest state excise tax on gasoline in the U.S.**

1.
  - CA state excise tax is \$0.612 per gallon. (Automatically increases on 7/1)
  - CA state excise tax is 3.4 times greater than the federal excise tax.
  - Under Governor Newsom California's State Excise Tax on gasoline has increased by 29.39%. (2019 to 2025/26)

### **4. CA has the highest diesel prices in the U.S.**

- 1.

- CA diesel fuel price is 63% higher than the U.S. average.  
(5/22/26)
5. **CA has the highest jet fuel prices in the U.S. (48 contiguous states).** (5/22/26)
    1.
      - CA imports a significant amount of its jet fuel from South Korea.
  6. **CA has the highest residential electricity rates in the lower 48 of the U.S.**
    1.
      - Under Governor Newsom California residential utility rates have increased 71% from \$0.1897 a kilowatt hour in 2019 to \$0.3241 per kilowatt hour in 2025.
  7. **CA has the greatest dependency on foreign oil suppliers in the U.S.**
  8. **Refinery production for gasoline has fallen 22% in six years.**
    1.
      - Under Governor Newsom, California has lost two major refineries and the 3 remaining major refiners with 6 refineries representing 98% of all in-state gasoline production have issued warning letters and concerns over continuing to operate.
  9. **CA crude oil production has dropped 75% since 1991.**
    1.
      - California first produced oil over 150 years ago, yet the regulatory barriers to in-state production have never been higher.
      - New drilling permit approvals collapsed from 2,664 in 2019 to 73 in 2024 to just 17 in 2025 under Governor Newsom — a 99.6% decline.
      - California’s highly touted SB 237 to stimulate production has yielded only 339 new drilling permits; only 17% of its intended 2,000 permit target...under prevailing conditions, independent producers cannot afford to permit new wells.
  10. **CA has the 5<sup>th</sup> largest crude oil reserves in the U.S.**
    1.
      - For nearly a decade, Sacramento has campaigned to wind down in-state oil production by directing regulators to phase out all oil extraction by 2045, banning new well stimulation permits, imposing an arbitrary 3200-foot setback, and inventing new regulatory costs (AB1167) that disproportionately hurts independent operators.

**11. CA crude oil imports from foreign sources have increased 866% since 1981.**

1.

- CA imports over 61% of its crude oil needs from sources such as Iraq, Brazil, Ecuador, Saudi Arabia, U.A.E. and Guyana.

**12. The number of CA-based refineries has dropped 84% from 43 to 7 today.**

**13. Branded gasolines are different from unbranded...the data on this is established.**

**14. CA policymakers, legislators, and the Governor were warned about the potential of historically high prices in May 2025 and failed to prevent them.**

**15. Over 90% of all vehicles in California rely on liquid fuels.**

**Policies have consequences.** California's "affordable energy" policies hit independent operators hardest; many have been driven out of business, which only further pressures Chevron and the large operators with the balance sheets to try to outlast the rising cost of overregulation. **Over 95% of Chevron retail fuel stations are independently owned and operated.**

Chevron's banners are merely stating the facts, which are the inconvenient truths to California's narrative of "energy affordability for all residents." **Sacramento's policies have destroyed free markets and increased consumer prices at the pump.**



### **Michael Mische**

Professor Michael Mische has been a member of the USC faculty since 1997, responsible for teaching and coordinating USC's Marshall management consulting undergraduate and graduate curricula and programs. Mische brings over 43 years of global management consulting experience in strategic planning, mergers, turnarounds and strategic innovation to both the classroom and clients.

# Ringside: California's Plans for Energy and Water Can be Misleading

*When the California Energy Commission announces plans to float twenty gigawatts of wind capacity in waters off the coast, that does not equate to twenty gigawatts of reliable electricity*

By Edward Ring, May 20, 2026



When Governor Gavin Newsom's water plan calls for nine million acre feet of new water supply, it turns out part of that total is increased storage capacity in reservoirs, which will not result in an equivalent amount of available water. When the California Energy Commission announces plans to float twenty gigawatts of wind capacity in waters off the coast, that does not equate to twenty gigawatts of reliable electricity.

Whether it's an energy project or a water project, it's important to avoid conflating capacity with actual production, or yield. With **energy projects**, that difference is much more certain than with water projects.

For example, in 2024, California's lone remaining nuclear power plant at Diablo Canyon, with an output capacity of 2.4 gigawatts, would have produced 20.9 terawatt-hours (TWh) if it had ran 100 percent of the time. In reality, its uptime was 88 percent, and it generated 18.4 TWh.

Natural gas power plants in California, if they operated as baseload power plants with 90 percent uptime, could have generated over 300 TWh of electricity in 2024, but because most of them now only operate when wind and solar electricity is not available, they only produced 86.5 TWh, 26 percent of their capacity. The state's wind turbines had a yield of 28 percent (15.7 TWh), and solar photovoltaics had a yield of 25 percent (48.6 TWh).

The other big source of electricity generation in California is hydroelectric, but the annual yield is not nearly as certain. With nuclear, natural gas, wind, and solar, the

reported differences in yield from year to year are insignificant, because the input is relatively predictable. But while California’s big hydroelectric generators yielded 23 percent of hydroelectric capacity in 2024 (25.2 TWh) and 25 percent of capacity in 2023 (27.1 TWh), their output in 2022 was only 14 percent (14.6 TWh), and was only 11 percent in 2021 (12.0 TWh).

Obviously, the uncertainty with hydroelectric power is the result of uncertain weather, and that carries over to most water projects. Desalination and wastewater recycling are immune from the vagaries of weather, but that’s about it.

The ratio of capacity to yield with water projects is also subject to the related uncertainty of what environmental policies may apply and how they may evolve over time. Even in a very wet year, there may be regulations that limit the utilization of a water project’s capacity. The **proposed Sites Reservoir** offers a dramatic example of just how wide the range of yield scenarios can get.

Last year, in response to an inquiry regarding its projected yield, here is what representatives of the powerful organization Friends of the River wrote in reply:

“The Sites Reservoir is estimated to divert on average approximately 255,000 acre-feet per year. This does not account for conveyance losses, evaporation, etc. Project yield would be less than this value. When asked by the Water Board to use the Water Board’s own tool to determine water availability, the output estimated annual diversions to only be 22k-59k acre-feet.”

The document where this claim is made was submitted before the State Water Resources Control Board in August 2024 and can be [viewed here](#). On page 17, Table 1, “Summary of Estimated Volume and Frequency of Water Available for Appropriation and Potential Diversions Using Division’s WAA Tool,” the low scenario estimate of “Annual average potential diversion” is 22,000 acre feet. These contrary estimates of acre-foot yield per year compared to the estimated storage capacity of 1.5 million acre-feet for the Sites Reservoir range from 17 percent based on 255,000 acre-feet per year to 1.5 percent based on 22,000 acre-feet per year.

The financing implications of this disparity are decisive. Imagine extremely favorable borrowing terms of 2 percent over 40 years, which equals an annual payment of \$249 million. This ultra-low rate assumes a significant portion of the \$6.8 billion estimated construction cost is covered with grants and does not translate

into a charge levied on the contractors who will purchase whatever the project yields.

Put another way, assume the contractors have to cover a 4 percent, 20 year bond for half the amount, only \$3.4 billion, because the other 50 percent of the cost is covered by grants. That financing charge, on less favorable terms but for half as much, is \$250 million per year, virtually the same amount. If you spread a \$249 million annual payment over 22,000 acre-feet of yield, then just to cover the construction costs – you pay \$11,299 per acre-foot. At 255,000 acre-feet of yield, the payment drops to \$975 per acre-foot.

Which brings us to the Delta Conveyance. I was recently cautioned, from an official source, to avoid reporting the maximum capacity of the Delta Conveyance unless taking care to simultaneously recognize that it would never be utilized to its full capacity. I was provided with a **publicly available fact sheet** that provides what must be a credible estimate as to how much additional water could have been sent down the California Aqueduct over the four water seasons through September 2025, if the Delta Conveyance had been in operation.

This “missed opportunity” tallied up as follows: 110,000 acre-feet for water year 2022, 186,000 acre-feet for 2023, 815,000 acre-feet for 2024, and 956,000 acre-feet for the water year ended September 2025. That is a total of 2.1 million acre feet of additional water over a four year period.

The total amount of water that was pumped into the California Aqueduct over four years through September 2025 was **8.1 million acre-feet**. Having the tunnel would have increased that to 10.2 million acre-feet. If you spread the additional four year yield of 2.1 million acre-feet over the projected \$20 billion cost at a rate of 2 percent over 40 years, you get a financing cost per acre foot of \$2,848. If you make hypothetical best case financing assumptions – either 2 percent and 40 years for the full cost, or 4 percent and 20 years for half the cost – you get a financing charge of \$1,415 per acre-foot.

Of course for the Delta Conveyance, as for the Sites Reservoir, or any other major project, the possibility of final costs exceeding any given estimated cost is ever present. And while the varying economics of energy and water project proposals may have a decisive impact on the final decision to move forward with one or not, it’s important to acknowledge that other considerations – the impact on local communities, the environment, and on resilience to potential disasters – can carry equal weight.



### **Edward Ring**

Edward Ring is the director of water and energy policy for the California Policy Center, which he co-founded in 2013 and served as its first president. The California Policy Center is an educational non-profit focused on public policies that aim to improve California's democracy and economy. He is also a senior fellow of the Center for American Greatness. Ring is the author of two books: "Fixing California - Abundance, Pragmatism, Optimism" (2021), and "The Abundance Choice - Our Fight for More Water in California" (2022).

## **California Still Owes \$23B in Pandemic-Era Unemployment Loans to Feds, But the Bill is Coming Due**

*GOP bill targets CA for billions in COVID-era unemployment being repaid by businesses*

By Katy Grimes, May 20, 2026 6



Congressman Vince Fong. (Photo: VinceFong.com)

California is the only state in the country that hasn't repaid its COVID-era unemployment loans to the federal government. And Governor Gavin Newsom is sticking the bill to the state's business owners.

Not many Californians even knew that California borrowed \$20,501,188,129 billion from the federal government to pay unemployment claims, the Globe reported in 2021.

The California Legislative Analyst's Office issued a report in 2021 which showed that California's loan was 40% of the total \$51,568,130,856 billion in loans 17 states borrowed. The next closest state, New York, borrowed \$9 billion – less than half of California's loan.

State	Federal Loan Amount	Share of All Loans	Loan Amount Per Worker
California	\$20,501,188,129	40%	\$1,070
New York	9,286,282,325	18	979
Texas	6,915,964,929	13	494
Illinois	4,232,873,402	8	667
Massachusetts	2,268,015,460	4	608
Pennsylvania	1,559,422,237	3	239
Ohio	1,471,812,516	3	252
Minnesota	1,049,257,297	2	336
Colorado	1,014,167,919	2	327
Connecticut	725,077,559	1	379
Hawaii	691,766,990	1	1,031
Kentucky	505,732,622	1	244
Nevada	332,407,747	1	209
New Jersey	298,413,642	1	65
New Mexico	278,163,849	1	289
West Virginia	184,910,036	—	229
Louisiana	184,145,942	—	86
Maryland	68,528,256	—	21
<b>Totals</b>	<b>\$51,568,130,856</b>	<b>—</b>	<b>\$577</b>

Congressman Vince Fong (CA-20) just introduced the Creating Accountability in Loan (CAL) Repayment Act to rein in pandemic-era unemployment mismanagement and fraud and protect taxpayer-funded public resources. Rep. Fong's legislation would require states with outstanding federal unemployment insurance debt to repay that debt before spending eligible additional federal funds they receive on any other purpose. Eligible funds include future flexible federal funding, like the CARES Act or American Rescue Plan.

The CAL Repayment Act is a direct response to California's failure to pay back its outstanding UI loan to the federal government, a failure that is now costing California employers and taxpayers billions.

### **Remember California's \$31 Billion in Unemployment Fraud?**

It's not as if Californians were being paid unemployment regularly during the Covid lockdowns.

District Attorneys from across California **exposed** the massive unemployment benefits fraud in jails and prisons in California, calling it "the biggest fraud on taxpayers in California history." Millions and quite possibly billions of dollars in unemployment claims was sent to inmates in California's county jails, and state and federal prisons, while legitimate claimants have been stiffed for months.

The Globe spoke with several California unemployment claimants who reported that for months they didn't received their benefits, and were continually put off for additional weeks by EDD employees. One said he was told by the EDD he had to provide his 2019 Federal tax return before his claims could be processed.

Businesses have been paying an extra \$42 per employee this year in unemployment payroll tax increases on the unpaid balance. The state had a \$98 billion budget surplus in 2022 that Democrats spent on infrastructure and homelessness programs, and subsidized health insurance for illegal immigrants instead, Fong said.

California's outstanding federal UI loan balance still exceeds \$18 billion, Rep. Fong says. He notes California's history of mismanagement, such as the Newsom administration's "pay now, verify later" approach during the pandemic, which removed traditional eligibility safeguards and invited massive fraud, including:

- At least **\$32 billion** in fraudulent payments from California's Employment Development Department.
- Thousands of inmates, including murderers, rapists, and death row inmates, received up to **\$1 billion** in unemployment benefits.

Why did California borrow \$20.5 billion from the federal government? The LAO **explained:**

***State's UI Trust Fund Became Insolvent Shortly After Pandemic Began.*** Prior to the pandemic, at the start of 2020, the state's UI trust fund held \$3.3 billion in reserves. Despite these reserves, the state's UI trust fund became insolvent during the summer of 2020, a few months following the start of the pandemic and

associated job losses. (As described above, federal law provides states automatic federal loans to continue paying state benefits should a state's UI trust fund become insolvent.) As shown in Figure 1, by the end of 2020, the state's UI trust fund had a negative \$18 billion fund balance.

Newsom borrowed \$20 Billion in 2021 shortly after he announced that the state had excess reserves, and instead sent out stimulus checks to some Californians, to look like a hero after locking down the entire state. Many speculated he was buying goodwill for his looming recall election.

### **What the CAL Repayment Act Does:**

- Requires states with outstanding federal UI advances to apply eligible future federal funds, like the CARES Act or American Rescue Plan, toward repayment within five business days before spending on any other purpose.
- Prohibits states from directing flexible federal funds elsewhere while UI debt remains outstanding.
- Establishes a strict enforcement mechanism: states that violate the requirement must repay the full amount of misused funds to the federal government within five business days.
- Applies prospectively to certain federal funds awarded on or after the date of enactment.



### **Katy Grimes**

Katy Grimes, the Editor in Chief of the California Globe, is a long-time Investigative Journalist covering the California State Capitol, the co-author of *California's War Against Donald Trump: Who Wins? Who Loses?* and a contributor to "Taxifornia 2016."

A California native and Navy mom, Katy lives in Sacramento, CA.

####

# THE ANDY CALDWELL SHOW NOW LOCAL IN SLO COUTY

Now you can listen to **THE ANDY CALDWELL SHOW** in

***Santa Barbara, Santa Maria &  
San Luis Obispo Counties!***



**1290/96.9 Santa Barbara and AM 1240/99.5 Santa Maria**  
**The show now covers the broadcast area from Ventura to Templeton -**  
**THE only show of its kind on the Central Coast covering local, state,**  
**national and international issues**

You can also listen to The Andy Caldwell Show LIVE on the [Tune In Radio App](#) and previously aired shows at: **3:00-5:00 PM WEEKDAYS**

We are pleased to announce that The Andy Caldwell Show is now broadcasting out of San Luis Obispo County on FM 98.5 in addition to AM

**SLO County updates with Greg Haskin every Monday at 4:30**

## **COLAB: A Place for Thought**



**VICTOR DAVIS HANSON  
ADDRESSES A COLAB FORUM**



**MIKE BROWN ADVOCARES  
BEFORE THE BOARD OSF  
SUPERVISORS**



**DAN WALTERS EXPLAINS SACTO  
MACHINATIONS AT A COLAB FORUM**



**AUTHOR & NATIONALLY  
SYNDICATED COMMENTATOR/RADIO  
HOST BEN SHAPIRO  
APPEARED AT A COLAB ANNUAL  
DINNER**



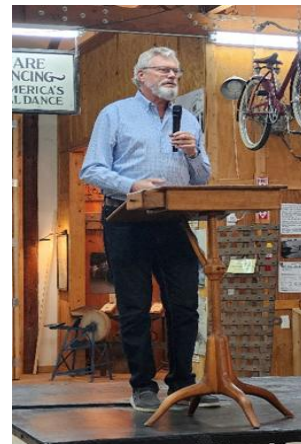
**NATIONAL RADIO AND TV  
COMMENTATOR HUGH HEWITT AT  
COLAB DINNER**



**EXPERTS DISCUSS ENERGY  
ISSUES AT THE  
FALL FORUM**



**BOARD MEMBER BEN HIGGINS  
WITH SUPERVISORS ARNOLD  
AND PESCHONG AT THE  
ANNUAL DINNER**



**COLAB EXECUTIVE  
DIRECTOR GREG  
HASKIN**

**KEEP HANDY \* CONTACT YOUR ELECTEDS**

**ON ISSUES OF CONCERN!  
THEY NEED TO HEAR FROM YOU!**

**Elected Officials Representing San Luis Obispo County**

**Governor Gavin Newsom  
916-445-2841 Sacramento**

<https://www.gov.ca.gov/contact/>

**Senator Alex Padilla  
202-224-3553 DC\**

<https://www.padilla.senate.gov/contact/>

**Senator Adam Schiff  
202-224-3841 DC**

<https://www.schiff.senate.gov/contact/>

**Representative Salud Carbal  
202-225-3601 DC**

**805-546-6348 District**

[carbajal.house.gov/contact](http://carbajal.house.gov/contact)

**Representative Jimmy Panetta**

**202-225-2861 DC**

**831-424-2229 District**

[panetta.house.gov/contact](http://panetta.house.gov/contact)

**State Senator John Laird**

**916-651-4017 Sacramento**

**805-549-3784 District**

[senator.laird@senate.ca.gov](mailto:senator.laird@senate.ca.gov)

**State Assembly Member Dawn Addis**

**916-319-2030 Sacramento**

**805-549-3001 District**

[assemblymember.addis@assembly.ca.gov](mailto:assemblymember.addis@assembly.ca.gov)

**SLO County Supervisor Bruce Gibson**

**805-781-4338 District**

[bgibson@co.slo.ca.us](mailto:bgibson@co.slo.ca.us)

**SLO County Supervisor Heather Moreno**

**805-781-4339 District**

[hmoreno@co.slo.ca.us](mailto:hmoreno@co.slo.ca.us)

**SLO County Supervisor Dawn Ortiz-Legg**

**805-781-5450 District**

[dortizlegg@co.slo.ca.us](mailto:dortizlegg@co.slo.ca.us)

**SLO County Supervisor Jimmy Paulding**

**805-781-4337 District**

[district4@co.slo.ca.us](mailto:district4@co.slo.ca.us)

**SLO County Supervisor John Peschong**

**805-781-4491 District**

[jpeschong@co.slo.ca.us](mailto:jpeschong@co.slo.ca.us)

**JOIN OR CONTRIBUTE TO COLAB ON THE NEXT PAGE**  
**Join COLAB or contribute by control clicking at:**  
[COLAB San Luis Obispo County \(colabslo.org\)](http://COLAB San Luis Obispo County (colabslo.org)) or use the form below:

Coalition of Labor, Agriculture and Business  
San Luis Obispo County  
"Your Property - Your Taxes - Our Future"  
PO Box 13601 - San Luis Obispo, CA 93406 / Phone: 805.548-0340  
Email: colabslo@gmail.com / Website: colabslo.org

**MEMBERSHIP APPLICATION**

**MEMBERSHIP OPTIONS:**

General Member: \$100 - \$249  \$ \_\_\_\_\_ Voting Member: \$250 - \$5,000  \$ \_\_\_\_\_

Sustaining Member: \$5,000 +  \$ \_\_\_\_\_

*(Sustaining Membership includes a table of 10 at the Annual Fundraiser Dinner)*

General members will receive all COLAB updates and newsletters. Voting privileges are limited to Voting Members and Sustainable Members with one vote per membership.

**MEMBER INFORMATION:**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

**How Did You Hear About COLAB?**

Radio  Internet  Public Hearing  Friend

COLAB Member(s) /Sponsor(s): \_\_\_\_\_

**NON MEMBER DONATION/CONTRIBUTION OPTION:**

**For those who choose not to join as a member but would like to support COLAB via a contribution/donation.**  
I would like to contribute \$ \_\_\_\_\_ to COLAB and my check or credit card information is enclosed/provided.

Donations/Contributions do not require membership though it is encouraged in order to provide updates and information.  
Memberships and donation will be kept confidential if that is your preference.  
Confidential Donation/Contribution/Membership

**PAYMENT METHOD:**

Check  Visa  MasterCard  Discover  Amex NOT accepted.

Cardholder Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Card Number: \_\_\_\_\_ Exp Date: \_\_\_/\_\_\_ Billing Zip Code: \_\_\_\_\_ CVV: \_\_\_\_\_

**TODAY'S DATE:** \_\_\_\_\_